



state senator
Tom Wyss

2005 LEGISLATIVE UPDATE

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LEGISLATIVE

Property Tax Reform

A local income tax proposal could be the best solution

Property taxes have grown considerably for all classes of taxpayers over the last 20 years, and are an outdated mechanism for taxation in many regards. They are not levied on ability to pay. This creates particular problems for senior citizens living in long-held homes and who have a fixed income. It has created a burden on farmers and other businesses unrelated to income, and it is a drag on new home purchases by young families and new business investment.

This year, Senate Republicans passed a plan to move local governments away from property taxes. After vocal opposition by local elected officials, the House was forced to defeat the measure.

The plan would have required that counties, through the representative council of the cities, towns, counties, and school districts, vote this summer on whether to plan their local budgets with a more equitable income tax. Currently, local units of government are permitted to grow their budgets on a rolling three-year average of the increase in Non-Farm Personal Income, and to do this, they generally increase property taxes. The state does not increase property taxes.

Under the new plan, the controls on growth are retained, but local units are encouraged to use the income tax to fund it, instead of using the property tax. The proposal merely permits increases that can occur on property taxes to be moved to income taxes.

It is estimated by the nonpartisan Legislative Services Agency that most counties would start with a tax rate of less than 0.5 percent. That rate could grow to 1 to 1.2 percent by 2011.

How fast the rate actually grows in each county will be determined by the natural rate of income tax growth and the rate of spending growth in each county. Over that period, property taxes to fund operating expenses for schools and local government would not increase. The new income tax rate would have been capped at about 1.2 percent.

The program required a rainy day fund to be set aside to protect each school and civil unit of government against economic downturns. In addition, if units spend less than the full growth increase permitted, that money could be used in four ways: Across the board property tax relief; put in the rainy day fund;

did you know?

In Indiana, local governments and schools keep 99.9 percent of all property taxes collected.



Currently, one-third of the state budget goes toward property tax relief, dedicating over \$3.7 billion a year.

Half of all revenue raised by the state sales tax is used for property tax replacement, as is 14 percent of the income tax and nearly a half billion dollars every year from the wagering tax from riverboats.

create an additional local homestead credit; create an additional local property tax replacement credit.

This would have been a major change that would be beneficial for all taxpayers, as we move to a system that is based on ability to pay, is easier to administer, and will return funds more rapidly to local units for their budgets. Unfortunately, local officials decided not to support this innovative move away from property taxes. I do plan to support this measure in the 2006 session.

State Unifies Security Efforts to Keep Hoosiers Safe

LEGISLATURE CREATES FIRST DEPARTMENT OF HOMELAND SECURITY

Our state's collective safety remains a primary concern of legislators. This year, I took steps to ensure Indiana's homeland security system protects citizens effectively and efficiently.

Governor Mitch Daniels joined me in these efforts by announcing a proposal combining the state's emergency management and homeland security efforts. I took these suggestions and authored a bill that creates the Department of Homeland Security (DHS) in order to coordinate the state's safety measures under a central entity.

After garnering unanimous support in both chambers of the Legislature, the initiative moved to the governor's desk for signature. Governor Daniels signed the bill into law in April, making the changes effective immediately.

The governor plans to establish four divisions within the DHS: the Division of Planning and Assessment, responsible for federal grants; the Division of Preparedness and Training, which includes the Public Safety Training Institute; the Division of Emergency Response and Recovery, which would incorporate the existing State Emergency Management Agency (SEMA); and the Division of Fire and Building

Safety, which would include the state fire marshal and the state building commissioner.

Another important measure that emerged from the 2005 legislative session addresses a security loophole that exists in state law concerning airline luggage. Currently, local law enforcement officers cannot arrest or detain a person transporting an undisclosed dangerous device, like firearms or explosives, contained within his or her checked airline luggage. Safety measures already have been implemented for carry-on luggage containing dangerous items, but there are no such laws dealing with luggage that has been checked.

Senate Enrolled Act 117 requires a person checking baggage containing a firearm, an explosive, or a destructive device, all defined by state law, to disclose this information to the airline. An intentional failure to do so would result in a Class A misdemeanor. The bill gives local law enforcement officers the right to detain a person who violates this law.

The Senate remains committed to creating sound legislation to safeguard the lives of Hoosiers. We believe the new, more centralized Department of Homeland Security and stronger airline procedures make this goal more attainable.



Above: Sen. Wyss unveils the new state homeland security plan in a press conference with Gov. Daniels (Left) and Lt. Gov. Skillman (Right).

BOOSTER SEAT LAW GOES INTO EFFECT JULY 1

Last year, the General Assembly passed House Enrolled Act 1098-2004, more commonly known as the Child Restraint Bill. I sponsored this legislation, which requires children under 8 years old to sit in child restraint systems that allow the vehicle's seatbelt to work properly. The new law goes into effect on July 1 of this year.



The National Highway Traffic Safety Administration reports that children between the ages of 4 and 7 who use child restraint systems are 59 percent less likely to be injured in a crash. Children ages 2 to 5 who are prematurely graduated to safety belts alone are four times more likely to suffer a serious head injury.

In 2002, use of child restraint systems hit record levels. Not coincidentally, the number of children age 7 and under injured in vehicular accidents dropped to an all-time low. The goal is to see those statistics continue to improve. And even though we will always see injuries and fatalities on our roads, child restraint laws are the next step to make driving and riding a little safer.

It is important that all parents, grandparents, aunts, uncles, babysitters, and others who transport children to be aware of this new law.

For information about local seat-fittings and child seat giveaways contact the Allen County SAFE KIDS Coalition at (260) 458-2549.



Above: Sen. Wyss visits with Gov. Daniels

Rooting Out Voter Fraud

Secure, fair elections are essential to preserving the rights of all Americans

Voting in a fair and credible election is at the heart of American citizenship. It is the Legislature's responsibility to adopt policies that protect our representative democracy by ensuring each vote cast is valid and legal.

A group of Senate bills were introduced this year to update outmoded election laws, reinforce the integrity of voting absentee and strengthen voters' rights at the polls by ensuring their votes are secure.

Of all the reform initiatives, none may be as critical as Senate Enrolled Act 483.

SEA 483, which I authored, requires citizens to show government-issued photo identification at the polls before voting. Photo IDs are required for many commonplace circumstances that Americans face every day, like renting a video or obtaining a library card. It only makes sense that a photo ID be required for something as important as voting.

In fact, many voters are surprised to learn they are not currently required to show some form of identification at the polls. It is not uncommon for a voter to arrive at the polling place and instinctively reach for a purse or wallet to retrieve an ID, only to be told it is unnecessary.

Years ago, poll workers knew the people in their precinct and had no reason to question someone's identity. Now, it is increasingly common for Election Day volunteers to live in another town or city than the one in which they are serving. The voter ID bill gives poll workers a tool to verify a person's identity. Considering recent nationwide vot-

ing problems, and some within Indiana, this is a common-sense step to help prevent fraud.

Objections to requiring a photo ID stem from a concern that some voters cannot afford the \$9 fee needed to purchase a state ID card. The Bureau of Motor Vehicles has agreed to grant photo IDs free of charge to those who cannot pay. Residents of state-licensed nursing homes are exempt from showing identification if a polling place is located in the facility where they reside. The

bill also protects the rights of those who have a religious objection to being photographed.

Voters who show up at the polls without identification will be able to fill out a provi-

sional ballot. They then will be required to visit the county clerk or election board's office and show an ID or object on religious grounds. The bill also requires the state of Indiana to mail out notices informing Hoosiers of the new requirements before the next election.

In 2003, the BMV issued 5.6 million driver licenses and 1.4 million state ID cards. With the state's adult population being just over 4.5 million in 2000, it's hard to imagine this legislation having an adverse effect on the vast majority of Hoosiers. The voter ID initiative has been supported publicly by Secretary of State Todd Rokita, Indiana's chief election officer.

This simple change in the rules will inspire more confidence in the election process and in our state government.

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Fighting Meth

Methamphetamine production has become widespread in our state, and this year the legislature has proven its commitment to curbing this criminal activity.

In 2003, Indiana law enforcement seized 422 meth labs, a figure higher than any other Midwestern state, according to the Drug Enforcement Administration.

It is difficult to catch meth producers. All of the ingredients needed to manufacture meth can be purchased legally and are relatively inexpensive. For example, an investment of \$1,000 in easily purchased ingredients can produce \$20,000 worth of meth.

This year, we passed a bill to regulate the sale and purchase of meth precursors in the hope of reducing production in Indiana. Senate Enrolled Act 444 includes a variety of measures designed to stop the production of meth by placing restrictions on the sale and purchase of drugs containing ephedrine or pseudoephedrine, commonly found in over-the-counter cold and allergy medicines.

Retailers must store such drugs in a locked display case or behind a counter that requires employee assistance. Pharmacies may place the drugs directly in front of the pharmacy counter in the line of sight of a pharmacy employee and in an area under constant video monitoring.

Customers purchasing these drugs must present identification and record their identifying information in a log book provided and maintained by the retailer.

The bill bars retailers from selling the drugs to individuals under age 18 and allows no more than 3 grams of drugs containing ephedrine or pseudoephedrine in any one transaction. It also prevents customers from purchasing more than 3 grams of such drugs in a single week.

Meth production has become a significant problem in Indiana. We have no choice but to fight back with every available weapon.

My Legislation

SEA 285 — Defines bullying and requires schools to adopt rules prohibiting bullying and take steps to prevent it. This is a serious issue in today's schools, and this bill helps school districts deal with the problem without micromanaging their discipline policies. **PASSED.**

SEA 484 — Requires the State Police department to provide and pay for health coverage for the surviving spouse and dependent children of state police officers killed in the line of duty. **PASSED.**

Education Initiatives Successful in 2005 Session

Improving education in Indiana is one of our top priorities in the General Assembly. This year, the state tackled several key issues to improve education while providing a safe environment and the skills necessary to succeed in life.

Currently, state law requires children to be five years old on July 1 of a school year to be eligible to attend kindergarten, making Hoosier children the oldest kindergarten students in the country. This year the General Assembly moved the kindergarten enrollment date to include children who turn five years old no later than August 1 of the 2006-2007 school year. While state law does not require parents to enroll children who may not be ready for kindergarten, children who turn five during the summer months should be welcome in our schools.

Charter schools are state-funded public schools that operate free of many state regulations, but are accountable for their results in the same manner as traditional public schools, as well as by the terms of a charter. They provide new learning opportunities through innovative curriculums and environments. One bill passed this session eases funding restrictions for charter schools in order give them at least a few of the same opportunities afforded



LEFT: Sen. Wyss(right) joins Superintendent of Public Instruction Suellen Reed in a press conference on legislation dealing with bullying. The bill died last year, but Sen. Wyss refiled and successfully passed the bill this year.

to other public schools. State restrictions have precluded charter schools from receiving millions of dollars in federal and state school construction funds. From state to state, charter schools represent many of the higher performing schools in some of the nation's lowest performing districts. We must continue to support these important partners in our collaborative effort to educate our children.

If we expect our children to perform and excel in academics, we must also do everything possible to make sure they feel safe at school. The Senate passed a new law this year to require schools to adopt rules prohibiting bullying and take steps to prevent this aggressive behavior. This is a serious issue in today's schools.

Another important initiative requires students, beginning in 2008-2009, to complete the Core 40 curriculum in order to graduate from high school. This program of study requires no additional credits but rather calls for fewer electives and more math, science and social studies classes to fulfill the 40 credit requirement for graduation. There are exceptions for some students whose parents object and for special education students. The bill also requires that parents be notified when a student is in danger of failing the Core 40 requirements and graduate qualifying exam. Institutions of higher education in Indiana will require applicants to complete these Core 40 requirements for admission.

We must give students the tools they need to excel academically and to be well-prepared for whichever path they choose after high school.

Protecting Our Children

All too often, I open my newspaper and read a story of another child being victimized. These situations have become almost commonplace in the last few years. Our children are our most precious commodity, and should receive special attention from the state.

The General Assembly passed several bills this session aimed at protecting Hoosier children. In 2003, the state's sex and violent offender registry was modernized, including the requirement of a photograph of the offender that could be viewed by the public. Currently, thousands of people who have committed sex crimes or crimes against children are registered with the state. We passed two bills that will enhance the effectiveness of the registry by adding the possession of child pornography to the 14 existing offenses and by allowing neighborhood associations to receive the semi-annual updates of the list.

This session, we also passed Senate Enrolled Act 529, which reorganizes the Office of the Family and Social Services Administration. This department has been plagued by poor management and other problems. The bill creates the Department of Child Services to handle child support, child protection, adoption and foster services. Some Hoosier children are at risk for abuse and neglect, and these children deserve the proper attention from the state. This new department will focus only on children and their families.

The General Assembly also passed a balanced, two-year state budget that provides additional funding for child protection. The budget funds the new Department of Child Services and provides money for Independent Living assistance for persons moving off of foster care. It also funds an additional 400 caseworkers for child protection and establishes caseload standards for child protection workers.

Child safety is a never-ending task, and the General Assembly will continue to be vigilant in seeking new ways to protect our children.

SEA 47 — Adds a section to the criminal code dealing exclusively with the crime of counterfeiting and makes the crime a Class D felony. Currently, prosecutors can only prosecute offenders under the part of the code dealing with forgery, punishable with a Class C felony. **PASSED.**

SEA 304 — The role of National Guard members deserves special recognition due to their increased responsibilities. This bill exempts spouses and children of National Guard members killed in state active duty from paying tuition at any state educational institution. **PASSED.**

SEA 56 — This bill creates the Department of Homeland Security (DHS) in order to coordinate the state's safety measures under a central entity. Currently, nine different entities deal with homeland security. **PASSED.**